

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 447 - HB 619**

February 20, 2023

**SUMMARY OF BILL:** Requires the Commissioner of the Department of Children's Services (DCS) to notify the committing court at least 15 days prior to the proposed discharge of a delinquent child. Requires the committing court, if it objects to the discharge, to set a hearing within the 15-day period. Authorizes the Commissioner to request another hearing on the proposed discharge if an agreement cannot be reached at the initial hearing consisting of a three-judge panel who must resolve the controversy within 30 days of the request for the hearing.

**FISCAL IMPACT:**

**Increase State Expenditures – \$574,800/FY23-24 and Subsequent Years**

**Increase Federal Expenditures – \$385,200/FY23-24 and Subsequent Years**

**Assumptions:**

- Tennessee Code Annotated § 37-1-137(c) currently required the DCS Commissioner to notify the committing court at least 15 days prior to the placement of a child into a home placement under continuing DCS supervision, and that if the court objects and no agreement can be reached, the Commissioner must request a hearing by a three-judge panel to resolve the controversy within 30 days of the request for the hearing.
- Requiring the same process for when DCS discharges a child can be accomplished by utilizing existing personnel and resources within DCS and the courts as are already used for when a child is placed into a home under DCS supervision.
- According to information provided by DCS, it is assumed that 63 children will have their committing court object to their discharge annually, and will therefore have a hearing within the last 15 days before their discharge.
- Of these 63 children, it is assumed that 50 percent, or 32 (63 children x 50%) children, will require a three-judge panel to resolve the controversy of their discharge, which will increase their time in custody by 30 days.
- The average cost per day to house these children is approximately \$400.
- For the purpose of this analysis, it is assumed that the number of children in custody and the cost to house them will remain constant.
- Therefore, there will be an increase in expenditures of \$384,000 (\$400 x 32 children x 30 days) in FY23-24 and subsequent years.

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- Assuming 50 percent of the children whose cases go to a three-judge panel, or 16 (32 children x 50%) children, receive a ruling that they are not allowed to be discharged and are therefore required to remain in custody an additional 90 days, it will result in an increase in expenditures of \$576,000 (16 children x \$400 x 90 days) in FY23-24 and subsequent years.
- The total increase in expenditures of \$960,000 (\$384,000 + \$576,000) in FY23-24 and subsequent years, which will consist of:
  - 44 percent, or \$422,400 (\$960,000 x 44%), in state funding,
  - 10 percent, or \$96,000 (\$960,000 x 10%), in Title IV-E federal funding, and
  - 46 percent, or \$441,600 (\$960,000 x 46%) in TennCare funding, of which:
    - 34.515 percent, or \$152,418 (\$441,600 x 34.515%) is state and
    - 65.485 percent, or \$289,182 (\$441,600 x 65.485%) is federal.
- The total increase in state expenditures will be \$574,818 (\$422,400 + \$152,418) in FY23-24 and subsequent years.
- The total increase in federal expenditures will be \$385,182 (\$96,000 + \$289,182) in FY23-24 and subsequent years.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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